

HOUSE BILL 2221

By Hodges

AN ACT to amend Tennessee Code Annotated, Title 47, Chapter 18 and Title 66, Chapter 27, relative to homeowners' associations.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 66, Chapter 27, is amended by adding the following as a new part:

66-27-801. Part definitions.

As used in this part:

(1) "Convenience fee" means a fee charged for a payment made through an electronic payment method instead of through cash or check;

(2) "Declaration" means an instrument, however denominated, that creates a homeowners' association, and amendments to that instrument, including restrictive covenants, bylaws, and similar instruments governing the administration or operation of a homeowners' association;

(3) "Dedictory instrument":

(A) Means each document governing the establishment, maintenance, or operation of a residential subdivision, planned unit development, condominium, horizontal property regime, or any similar planned development; and

(B) Includes a declaration or similar instrument subjecting real property to:

(i) Restrictive covenants, bylaws, or similar instruments governing the administration or operation of a homeowners' association;

(ii) Properly adopted rules and regulations of a homeowners' association; or

(iii) All lawful amendments to the covenants, bylaws, instruments, rules, or regulations of a homeowners' association; and

(4) "Homeowners' association" means an incorporated or unincorporated association owned by or whose members consist primarily of the owners of the property covered by the dedicatory instrument and through which the owners, or the board of directors or similar governing body, manage or regulate the residential subdivision, planned unit development, condominium, horizontal property regime, or a similar planned development.

66-27-802. Convenience fees prohibited.

On or after July 1, 2022, a homeowners' association shall not assess a convenience fee against an owner of property, or the property itself, covered by the dedicatory instrument of the homeowners' association.

SECTION 2. The headings in this act are for reference purposes only and do not constitute a part of the law enacted by this act. However, the Tennessee Code Commission is requested to include the headings in any compilation or publication containing this act.

SECTION 3. This act takes effect upon becoming a law, the public welfare requiring it.